

WASHINGTON (July 18) – Congressman Spencer Bachus (AL-6), Chairman of the House Financial Services Committee, delivered the opening statement at today's committee hearing with Federal Reserve Chairman Ben Bernanke on the state of the U.S. economy.

Congressman Bachus' written statements follows. To view the remarks, [click here](#).

"We're honored to have Federal Reserve Chairman Ben Bernanke before us today. Thank you, Chairman Bernanke, for appearing before our Committee once again and for your dedicated service to our country.

"As we meet this morning, we continue to find our nation on a path that is fiscally and economically unsustainable. And some in the Senate, Chairman Bernanke, apparently believe *only you* can do something about it. Since the economy is bad and unemployment is high, one of those senators pointedly told you yesterday that you've got 'to get to work.'

"That leads to an important question: 'Who is ultimately responsible for the state of our economy?' We once had a president who memorably had a sign on his desk in the Oval Office that said 'the buck stops here.' I'd amend that and say the buck stops with the president of the United States and Congress, who are the elected leaders of this country. The president and Congress are the ones who have created America's spending-driven debt crisis by hitting the gas when what was needed was someone stomping on the brakes. Some in the Senate may want to duck responsibility, but the truth is the Federal Reserve cannot rescue Americans from the consequences of failed economic and regulatory policies passed by Congress and signed by the president. The chairman of the Fed cannot save the economy when those elected leaders decide they are prepared to send our country over a 'fiscal cliff,' as one of those elected leaders in the Senate declared earlier this week.

"Chairman Bernanke has warned Congress and the Administration time and time again that without action, growing deficits and debt will erode our prosperity and leave the next generation of Americans with less opportunity. To avoid this fate, we must start taking action *now* to tame Washington's appetite for spending and, as Chairman Bernanke has said, tackle the difficult, but necessary, long-term restructuring of entitlements.

"The House, to its credit, has had the courage in this hyper-partisan attack atmosphere to begin this long-term process. The Senate has not. So I'd like to take this opportunity to tell the Senate that it's time for *them* to get to work."Our economy is hobbled not only by our deficits and debt but also by the cumulative weight of Washington over-regulation. This committee hears constantly from private sector witnesses who tell us the regulatory burdens being placed on them are – as one small town bank witness said – 'slowly but surely strangling' their ability to do business.

"This is not to argue we don't need regulations. Reasonable regulations provide clear rules of the road for businesses so they have some certainty and know what to expect. Unfortunately, job creators will tell you that reasonable and clear rules aren't what they're getting from Washington right now. Instead, they tell us regulators do not coordinate their actions and the result is businesses are subjected to confusing and, often, conflicting rules.

"While many in Washington attack Wall Street and big corporations when they call for more regulations, the reality is the burden of federal red tape falls disproportionately on small businesses and the small community-based financial institutions that lend to them. As the Small Business Administration reports, it costs small businesses 36 percent more per employee to comply with federal rules than it does large companies. And because small businesses are the engine of job growth in our economy, we can hardly blame the Fed when policies passed by Congress and signed by the president result in regulatory overkill that makes it harder for small business to thrive and hire.

"Instead of more and more regulations, Congress and the president need to do more to eliminate the government roadblocks that stand in the way of small business success. The president recently said that entrepreneurs and small businesses aren't successful on their own. They can succeed only with the help of government. That is akin to saying that Apple Computer is a success because of the person who built Steve Jobs's garage. Small businesses succeed in this country in spite of the government, not because of it."